

United States Senate

WASHINGTON, DC 20510-2003

November 15, 2011

Senator Patty Murray, Co-Chair
Representative Jeb Hensarling, Co-Chair
Joint Select Committee on Deficit Reduction
825 B/C Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Murray and Representative Hensarling:

We are writing to express our opposition to a Chained CPI or any change in the methodology for calculating Social Security cost-of-living-adjustments (COLAs) that would result in a reduction of benefits. Social Security didn't contribute to the deficit and changes to the program should not be considered as part of the Super Committee deliberations.

Social Security is more important than ever due to increased unemployment, increased energy and housing costs, and increased health costs. Congress cannot restructure Social Security in a way that would send middle-class Americans into poverty.

Proponents of Chained CPI claim that this is a technical fix that would have a minor impact on benefits. Nothing could be further from the truth. According to Social Security's Chief Actuary, Chained-CPI would reduce annual benefits for a typical 65 year old by about \$130 per year. By the time that senior is 85 years old, that benefit cut would be \$980 per year. When the average senior is getting \$14,000 per year in Social Security benefits, cuts of this magnitude mean the difference between paying for medicine or groceries and heating.

Furthermore, as we understand it, adopting Chained CPI as our new measurement of inflation could have wide ranging impacts on many federal programs and even the tax code. There has not been nearly enough debate or discussion in Congress to adopt such a change.

Congress cannot restructure Social Security and change the calculation for inflation in a way that would send middle-class Americans into poverty. The promise of Social Security is a guaranteed, lifetime and inflation-proof benefit. We will not be complicit or compliant in jeopardizing this benefit for America's seniors.

Thank you for your important work, and we look forward to working with you as this process continues.

Sincerely,


Barbara Mikulski


Maria Cantwell


Kirsten E. Gillibrand


Debbie Stabenow